

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO. 4609-02  
BILL NO. HB 2102  
SUBJECT: Motor Vehicle Public Records  
TYPE: Original  
DATE: March 14, 2000

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**FISCAL SUMMARY**

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<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Highway Fund	(\$228,955)	(\$234,000)	(\$234,000)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$228,955)</b>	<b>(\$234,000)</b>	<b>(\$234,000)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>(\$65,000)</b>	<b>(\$78,000)</b>	<b>(\$78,000)</b>

Numbers within parentheses: ( ) indicate costs or losses

This fiscal note contains 5 pages.

## FISCAL ANALYSIS

### ASSUMPTION

The **Department of Transportation (MoDOT)** concurs with the Department of Revenue's response to this proposal.

Officials of the **Department of Revenue (DOR)** stated that presently, the DOR asks the individual at the time of driver's license or motor vehicle transaction if he/she desires to restrict their personal information on the DOR computer files. This proposal will require closure of all records, and require the owner of the personal information to give written permission to entities who do not already have a security access code to receive personal information. This proposal also closes "sensitive" information which includes the photograph, social security number, and medical/disability information except to government agencies, law enforcement, insurance companies, and employers of commercial motor vehicle operators. This proposal also prohibits the DOR from providing records to entities for bulk mailing. Since implementing the provisions of SB 19, 63% of license applicants have chosen to restrict access to the personal information contained on their driver's license and motor vehicle records.

**Drivers License Bureau** - The Driver's License Bureau receives approximately 1.5 million requests for driver records through the Electronic Driver Record System. This proposal will automatically close the 1.3 million records that are currently open on the Driver License System. The Drivers License Bureau receives 1.5 million requests for driver records annually. Of these, the Drivers License Bureau assumes 6.6%, or 99,000 requests, will require written consent from the record holder to allow disclosure of personal information. Of these, the Drivers License Bureau assumes 33% (or 33,000) of the 99,000 requests will contain the written consent form.

The Drivers License Bureau will require 1 FTE to manually verify the consent form, microfilm the consent form, prepare additional correspondence regarding incomplete request forms, and handle additional phone calls relating to this process.

This bureau will require approximately \$15,000 for required forms changes and information pamphlets and flyers to educate the public of the new changes in the disclosure/restriction of driver records.

This bureau will also require approximately \$5,000 for programming changes required to the OTC system. Programming modifications are required to be completed the current contract vendor and it is estimated it will take approximately 40 hours of programming. 40 x \$125 per hour contract price = \$5,000

ASSUMPTION (continued)

**Motor Vehicle Bureau** - This bureau will require the services of 1 FTE and associated equipment and expenses to implement the provisions of this proposal. This bureau will require \$6,516 for form modifications, policy revisions and postage. The Field Automated System for Titling and Registration will also require changes in edits, screen changes and testing requirements. It is estimated that those modifications will cost approximately \$2,550.

**Information Technology and Management Bureau** -To implement the provisions of this proposal extensive programming modifications must be made to the Drivers License and General Registration Computer Systems. This will entail programming, unit testing, system testing, implementation and documentation. To accommodate these modifications, this Division will incur State Data Center (SDC) costs in the amount of \$7,439.

**REVENUE IMPACT**

As the provisions of this proposal require the written permission of the record holder to accompany the request for a driver or motor vehicle record, it is anticipated that the Information Fund will lose approximately \$312,000 dollars in record sales for driver and motor vehicle records as a result of the provisions of this proposal. Oversight has shown the loss to the Highway Fund, Cities and Counties using the 75%, 15% and 10% split.

**Oversight** assumes the conversion from the electronic to manual systems could be accomplished with existing personnel, except for programming changes required to be performed by Polaroid, Inc. on the OTC system. In addition, Oversight assumes the DOR currently handles requests from individuals to disallow distribution of this information and therefore could adjust current procedure to handle the requirements of this proposal.

FISCAL IMPACT - State Government

FY 2001      FY 2002      FY 2003  
(10 Mo.)

**HIGHWAY FUND**

Costs-Department of Revenue (DOR)

Forms and Postage	(\$21,516)	\$0	\$0
State Data Center Costs	(\$7,439)	\$0	\$0
OTC Programming by Polaroid, Inc.	<u>(\$5,000)</u>	<u>\$0</u>	<u>\$0</u>
Total <u>Costs</u> -DOR	(\$33,955)	\$0	\$0

<u>FISCAL IMPACT - State Government</u>	FY 2001	FY 2002	FY 2003
(Continued)	(10 Mo.)		

**HIGHWAY FUND**

Loss-Department of Transportation (DHT)

Reduced Income from DOR Information  
 Fund Transfers

(\$195,000)	(\$234,000)	(\$234,000)
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**ESTIMATED NET EFFECT ON  
 HIGHWAY FUND**

<u>(\$228,955)</u>	<u>(\$234,000)</u>	<u>(\$234,000)</u>
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FISCAL IMPACT - Local Government

FY 2001	FY 2002	FY 2003
(10 Mo.)		

**POLITICAL SUBDIVISIONS**

Cities

(\$39,000)	(\$46,800)	(\$46,800)
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Counties

(\$26,000)	(\$31,200)	(\$31,200)
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**NET EFFECT ON POLITICAL  
 SUBDIVISIONS**

<u>(\$65,000)</u>	<u>(\$78,000)</u>	<u>(\$78,000)</u>
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FISCAL IMPACT - Small Business

This proposal would not have a direct fiscal impact on small businesses.

DESCRIPTION

This proposal clarifies that any person or entity providing services for the Department of Revenue is subject to the same restrictions as the department itself regarding the disclosure of personal information contained in motor vehicle records.

The proposal also amends the law governing the dissemination of motor vehicle records by the Department of Revenue, so as to comply with recent changes in federal law. The Department of Revenue is not allowed to disseminate a person's driver's license photograph, Social Security number, medical information, or disability information, unless the person expressly consents to such dissemination. However, this prohibition does not apply when the information is requested:

DESCRIPTION (continued)

- (1) by another governmental agency;
- (2) for a legal proceeding;
- (3) by automobile insurers; or
- (4) by employers, regarding commercial driver's licenses.

Finally, the Department may release other personal information (i.e., information other than a photograph, social security number, medical or disability information) for a variety of specified uses. These uses include:

- (1) work in connection with motor vehicle safety;
- (2) to verify and correct information provided by the individual;
- (3) statistical research (so long as the information is not published or used to contact the individual);
- (4) notice to owners of towed vehicles;
- (5) use by licensed private investigators;
- (6) in connection with the operation of private toll transportation; and
- (7) any use specifically authorized by state law that is related to public safety.

This legislation is not federally mandated, would not duplicate any other program, would require additional capital improvements or rental space and would impact total state revenue.

SOURCES OF INFORMATION

Department of Revenue  
Department of Transportation



Jeanne Jarrett, CPA  
Director  
March 14, 2000